



AN ACT REVISING LAWS RELATING TO TAX LIENS; PROVIDING THAT A COUNTY TREASURER MAY ALLOW A PURCHASER OF A PROPERTY TAX LIEN TO USE AN AFFIDAVIT OF COSTS IN LIEU OF PRODUCING THE RECEIPTS OF COSTS; PROVIDING THAT THE NOTICE OF PAYMENT FOR A TAX LIEN SALE CERTIFICATE MAY NOT BE MADE MORE THAN 60 DAYS PRIOR TO THE DATE OF PAYMENT; AND AMENDING SECTIONS 15-17-121 AND 15-17-212, MCA.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 15-17-121, MCA, is amended to read:

"15-17-121. Definitions. Except as otherwise specifically provided, when terms mentioned in Title 15, chapters 17 and 18, are used in connection with taxation, they are defined in the following manner:

(1) "Certificate" or "tax lien sale certificate" means the document described in 15-17-212.

(2) (a) "Cost" means the cost incurred by the county as a result of a taxpayer's failure to pay taxes when due. It includes but is not limited to any actual out-of-pocket expenses incurred by the county plus the administrative cost of:

- (i) preparing the list of delinquent taxes;
- (ii) preparing the notice of pending tax lien sale;
- (iii) conducting the tax lien sale;
- (iv) assigning the county's interest in a tax lien to a third party;
- (v) identifying interested persons entitled to notice of the pending issuance of a tax deed;
- (vi) notifying interested persons;
- (vii) issuing the tax deed; and
- (viii) any other administrative task associated with accounting for or collecting delinquent taxes.

(b) The term includes ~~received~~ costs that are required by law and incurred by the purchaser of a property tax lien other than the county. The county treasurer may require the purchaser of the property tax lien shall to provide receipts or may allow the purchaser of the property tax lien to provide a notarized affidavit of costs

to the county treasurer upon issuance of a tax lien sale certificate as required in 15-17-212 and notification that a tax deed may be issued as required by 15-18-212 and 15-18-216. A county treasurer may at any time require a purchaser who provided an affidavit of costs to submit the receipted costs upon which the affidavit was based.

(c) The term does not include interest for payments for the following:

- (i) postage for certified mailings and certified mailings with return receipt requested;
- (ii) a title search, to the extent necessary to identify interested persons entitled to notice of the pending issuance of a tax deed;
- (iii) publishing costs for required publications; and
- (iv) filing costs for proof of notice.

(3) "County" means any county government and includes those classified as consolidated governments.

(4) "Property tax lien" means a lien acquired by the payment at a tax lien sale of all outstanding delinquent taxes, including penalties, interest, and costs.

(5) "Purchaser" means any person, other than the person to whom the property is assessed, who pays at the tax lien sale the delinquent taxes, including penalties, interest, and costs, and receives a certificate representing a lien on the property or who is otherwise listed as the purchaser. An assignee is a purchaser.

(6) "Tax", "taxes", or "property taxes" means all ad valorem property taxes, property assessments, fees related to property, and assessments for special improvement districts and rural special improvement districts.

(7) "Tax lien sale" means:

- (a) with respect to real property and improvements, the offering for sale by the county treasurer of a property tax lien representing delinquent taxes, including penalties, interest, and costs; and
- (b) with respect to personal property, the offering for sale by the county treasurer of personal property on which the taxes are delinquent or other personal property on which the delinquent taxes are a lien."

Section 2. Section 15-17-212, MCA, is amended to read:

"15-17-212. Tax lien sale certificate. (1) After receiving proof of mail notice to the person to whom the property was assessed, as required by subsection (3), and upon receipt of all delinquent taxes, penalties, interest, and costs, the county treasurer shall prepare a tax lien sale certificate that must contain:

- (a) the date on which the property taxes became delinquent;
- (b) the date on which a property tax lien was sold at a tax lien sale;

- (c) the name and address of record of the person to whom the taxes were assessed;
- (d) a description of the property on which the taxes were assessed;
- (e) the name and mailing address of the purchaser;
- (f) the amount paid to liquidate the delinquency, including a separate listing of the amount of the delinquent taxes, penalties, interest, and costs;
- (g) a statement that the certificate represents a lien on the property that may lead to the issuance of a tax deed for the property;
- (h) a statement specifying the date on which the purchaser will be entitled to a tax deed; and
- (i) an identification number corresponding to the tax lien sale certificate number recorded by the county treasurer as required in 15-17-213.

(2) The certificate must be signed by the county treasurer and delivered to the purchaser. A copy of the certificate must be filed by the treasurer in the office of the county clerk. A copy of the certificate must also be mailed to the person to whom the taxes were assessed, at the address of record, together with a notice that the person may contact the county treasurer for further information on property tax lien sales.

(3) Prior to paying delinquent taxes, penalties, interests, and costs received by the county treasurer under subsection (1), a person shall send notice of the proposed payment, by certified mail, to the person to whom the property was assessed. The form of the notice must be adopted by the department by rule. The notice must have been mailed at least 2 weeks prior to the date of the payment but may not be mailed earlier than 60 days prior to the date of the payment. The person making the payment shall provide proof of the mailing."

- END -

I hereby certify that the within bill,
SB 0361, originated in the Senate.

Secretary of the Senate

President of the Senate

Signed this _____ day
of _____, 2009.

Speaker of the House

Signed this _____ day
of _____, 2009.

SENATE BILL NO. 361
INTRODUCED BY RIPLEY, MILLER

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